

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

WALTER BECK CORPORATION d/b/a Civil Action No. 04-348-Erie  
THE RAINBOW INN,

Plaintiff,

Judge Maurice B. Cohill, Jr.

vs.

SAFECO CORPORATION, AMERICAN  
ECONOMY INSURANCE COMPANY, and  
AMERICAN STATES INSURANCE COMPANY,

*ORIGINAL*

Defendants.

Deposition of: Harold Beck  
Taken by: Defendants  
Date: November 11, 2006  
Time: 11:00 a.m. - 1:21 p.m.  
Location: Holiday Inn Express,  
The Villages  
1205 Avenida Central  
Lady Lake, Florida  
Reported by: Leslie Richmond, RPR

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1 these kind of systems, was there a better system for that?

2 A. Halon is the best one.

3 Q. For restaurant work?

4 A. It is in my opinion. It was really customer  
5 friendly as far as clean up. The danger is in having one of  
6 these things -- if somebody triggers it, these tanks are  
7 very, very expensive. Halon is very expensive.

8 Q. So the expense to the restaurant could be great if  
9 it's triggered?

10 A. Yeah. By accident.

11 Q. Would you recommend a Halon system for a restaurant  
12 if you were asked?

13 A. No.

14 Q. Why not?

15 A. Because restaurants probably can't afford it.

16 Q. I see. So whenever you were advising these  
17 restaurants as to which type of system they could have, what  
18 would you tell them?

19 A. Well, I'd tell them there were two available. They  
20 could use an Ancil system which was very simple and very  
21 easy. Keep in mind, an Ancil system isn't cheap either. 3-  
22 \$4,000 back when I was doing it. And that was a lot of  
23 money. A Halon system is about twice that.

24 Q. When you were installing these systems in  
25 restaurants, was it only in kitchens?

1 make money. And when it did, we had to be able to show  
2 offset. The company lost money year after year after year.  
3 I subsidized it. But it was something my wife enjoined doing  
4 and we kept it. It was something that we liked and we kept  
5 it. And at the point in time the company -- at this date,  
6 the Rainbow Inn would owe me -- I have a figure someplace. I  
7 don't know how much it is, but it's a lot of money. And if  
8 it started making money, I could start recouping the money I  
9 lent to it.

10 Q. Was the money that you lent personally to the  
11 Walter Beck Corporation, was that ever written down on a  
12 document, like a promissory note or any legal document?

13 A. No.

14 Q. So how would that amount of money be supported if  
15 you were to collect it? How would you prove what money is  
16 owed to you?

17 A. We would probably have done it after the fact  
18 backwards. Because it -- you know, there was -- I personally  
19 paid the mortgage every month. I personally paid the  
20 insurance payments every month. There were things that were  
21 never figured into the expenses that were on your IRS forms  
22 that I personally paid for. If I went down to town and  
23 picked up beer, I paid for it with cash and I brought it up  
24 and put it in the inventory. If I bought liquor, I paid for  
25 it with cash and I put it in the inventory.